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2022 401k CONTRIBUTION LIMITS

401K

Workers younger than age 50 can contribute a **maximum of \$20,500** to a 401(k) in 2022. That's up \$1,000 from the limit of \$19,500 in 2021. If you're age 50 and older, you can add an extra \$6,500 per year in "catch-up" contributions, bringing your total 401(k) contributions for 2022 to \$27,000.

You can contribute to multiple traditional 401(k) and after-tax Roth 401(k) accounts in the same year, but your total 401(k) contributions to all accounts can't exceed the annual 401(k) limit.

- The 401(k)-contribution limit is \$20,500.
- The 401(k) catch-up contribution limit is \$6,500 for those age 50 and older.
- The limit for employer and employee contributions will be \$61,000.
- The 401(k)-compensation limit will climb to \$305,000.

401(k) Limit for Employer Contributions

Employers can make matching and nonmatching contributions to a 401(k) plan on behalf of employees, even if the worker has already maxed out the account. The overall contribution limit to 401(k) plans, including employer and employee deposits, is 100% of the participant's compensation or \$61,000, whichever is less. For workers age 50 and older, the overall contribution limit is \$67,500, which includes catch-up contributions.

2022 401(k) Compensation Limit

Highly paid employees may be restricted in their ability to make 401(k) contributions. A 401(k) plan can elect to stop salary deferrals once a participant's compensation reaches \$305,000 in 2022 and can only use up to this amount when providing a 401(k) match.